

## Fiscal Estimate - 2009 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

<b>LRB Number</b> <b>09-4260/1</b>	<b>Introduction Number</b> <b>SB-536</b>	
<b>Description</b> Promoting the use of locally grown food in school meals and snacks and granting rule-making authority		
<b>Fiscal Effect</b>  <b>State:</b> <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect  <input type="checkbox"/> Indeterminate  <input type="checkbox"/> Increase Existing Appropriations  <input type="checkbox"/> Decrease Existing Appropriations  <input checked="" type="checkbox"/> Create New Appropriations                 </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Existing Revenues  <input type="checkbox"/> Decrease Existing Revenues                 </div> <div style="width: 33%;"> <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget  <div style="display: flex; justify-content: space-around;"> <input checked="" type="checkbox"/> Yes                         <input type="checkbox"/> No                     </div> <input type="checkbox"/> Decrease Costs                 </div> </div> <b>Local:</b> <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input checked="" type="checkbox"/> No Local Government Costs  <input type="checkbox"/> Indeterminate  <div style="display: flex;"> <div style="width: 50%;">                         1. <input type="checkbox"/> Increase Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                          2. <input type="checkbox"/> Decrease Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                     </div> <div style="width: 50%;">                         3. <input type="checkbox"/> Increase Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                          4. <input type="checkbox"/> Decrease Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                     </div> </div> </div> <div style="width: 33%;"> <b>5. Types of Local Government Units Affected</b>  <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> Towns  <input type="checkbox"/> Counties  <input type="checkbox"/> School Districts                         </div> <div style="width: 33%;"> <input type="checkbox"/> Village  <input type="checkbox"/> Others  <input type="checkbox"/> WTCS Districts                         </div> <div style="width: 33%;"> <input type="checkbox"/> Cities                         </div> </div> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div> <b>Fund Sources Affected</b>  <input checked="" type="checkbox"/> GPR   <input type="checkbox"/> FED   <input type="checkbox"/> PRO   <input type="checkbox"/> PRS   <input type="checkbox"/> SEG   <input type="checkbox"/> SEGS                     </div> <div> <b>Affected Ch. 20 Appropriations</b>                          20.115 (4)(as); 20.115 (4)(at) - See Technical Memo                     </div> </div>		
<b>Agency/Prepared By</b>  DATCP/ Teresa Cuperus (608) 224-5101	<b>Authorized Signature</b>  Bill Walker (608) 224-4353	<b>Date</b>  2/26/2010

## Fiscal Estimate Narratives

DATCP 2/26/2010

LRB Number	09-4260/1	Introduction Number	SB-536	Estimate Type	Original
<b>Description</b> Promoting the use of locally grown food in school meals and snacks and granting rule-making authority					

### Assumptions Used in Arriving at Fiscal Estimate

This bill requires the department to promote farm to school programs. The bill creates a 1.0 FTE GPR position but does not fund it. The bill also creates a program for the department to provide grants to school districts, nonprofit organizations, and others for the creation and expansion of farm to school programs. The bill provides no funding for the grant program. Finally, the bill establishes a farm to school council to advise the department and to report to the legislature about the needs and opportunities for farm to school programs.

Since the bill provides no funding for the grant program, the authorized position, or program costs, the department would operate only a limited program under the bill as written. The department would appoint and staff the farm to school council, item 1 below. The department would be unable to implement the grant program or farm to school promotion duties, items 2, 3, and 4 below.

#### 1. Farm to School Council

This bill creates a Secretary-appointed farm to school council, consisting of farmers, experts in child health, school food service personnel, and other persons with interests in agriculture, nutrition, and education. The council would be staffed by at least one department employee, who would spend approximately 116 hours for meeting preparation, participation, and organization.

The council is required to report at least annually to the legislature and the department Secretary. The report would require an estimated 40 hours to prepare. The total fiscal estimate of this additional staff time is equivalent to .075 FTE or \$6,300. These costs could be absorbed by the department. Support costs for the council are estimated at \$5,000 GPR annually for supplies and travel. These costs could also be absorbed.

#### 2. Promotion/Implementation of Farm to School Programs

The department is charged in section 5 (93.49)(2)(a) with multiple activities related to the promotion and implementation of farm to school programs. The bill authorizes 1.0 FTE GPR positions to perform these duties but does not fund the position. If it were funded, the position would likely be created as an economic development consultant. Salary and fringe costs for such a position would total \$72,800.

In addition, the department would expect to spend approximately \$100,000 to carryout the activities defined in the bill. This amount includes supplies and services costs for offering conferences and training; publications and promotional material; as well as staff cost for travel. These costs and workload could not be absorbed by existing programs or staff.

#### 3. Grant Rules

The department is charged in section 5 (93.49)(4) to promulgate rules for the administration of the grant program. It is estimated that it would take 0.5 FTE about one year to research potential rule provisions in coordination with council; hold hearings; draft the rule and supporting documents; and conduct other rule-making tasks. The fiscal estimate for rule making is a one-time cost of \$42,300. These costs and workload could not be absorbed.

#### 4. Grant Program

The department is charged in section 5 (93.49)(3)(a) to provide grants for specific farm to school projects. The bill provides no funding for the grant program, and therefore no grants could be awarded.

The department estimates that the level of interest in a grant program would justify approximately 10 to 15 projects and a total of \$200,000 GPR per year. Administration of the grant program would be performed by

the position authorized under the bill.

### **Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

☒ Original
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 ☐ Supplemental

<b>LRB Number</b> <b>09-4260/1</b>		<b>Introduction Number</b> <b>SB-536</b>	
<b>Description</b> Promoting the use of locally grown food in school meals and snacks and granting rule-making authority			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes	\$6,300	\$	
(FTE Position Changes)	(0.1 FTE)		
State Operations - Other Costs	5,000		
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>	<b>\$11,300</b>	<b>\$</b>	
<b>B. State Costs by Source of Funds</b>			
GPR	11,300		
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>	
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	State	Local	
NET CHANGE IN COSTS	\$11,300	\$	
NET CHANGE IN REVENUE	\$	\$	
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DATCP/ Teresa Cuperus (608) 224-5101		Bill Walker (608) 224-4353	2/26/2010

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<b>Description</b> Promoting the use of locally grown food in school meals and snacks and granting rule-making authority			
<b>Fiscal Effect</b>			
<b>State:</b>			
<input checked="" type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
<b>Local:</b>			
<input checked="" type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
<b>5. Types of Local Government Units Affected</b>			
<input type="checkbox"/> Towns		<input type="checkbox"/> Village <input type="checkbox"/> Cities	
<input type="checkbox"/> Counties		<input type="checkbox"/> Others	
<input type="checkbox"/> School Districts		<input type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</b>		<b>Affected Ch. 20 Appropriations</b>	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
DHS/ Ellen Hadidian (608) 266-8155		Andy Forsaith (608) 266-7684	
		<b>Date</b>	
		2/22/2010	

## Fiscal Estimate Narratives

DHS 2/22/2010

LRB Number	09-4260/1	Introduction Number	SB-536	Estimate Type	Original
<b>Description</b> Promoting the use of locally grown food in school meals and snacks and granting rule-making authority					

### Assumptions Used in Arriving at Fiscal Estimate

This bill requires the Department of Agriculture, Trade and Consumer Protection (DATCP) to create a farm-to-school program which encourages schools to work with local farms to provide fresh, locally-grown food in schools and promotes the development of healthy eating habits among students. The bill creates a farm-to-school council composed of DATCP staff, farmers, experts in children's health, school personnel, and representatives from the Department of Health Services (DHS) and the Department of Public Instruction (DPI).

As part of its regular inspections of school food programs, DHS will check on the sources of the food. A DHS representative will also serve on the farm-to-school council. Neither of these activities will have a fiscal effect on the Department of Health Services.

### Long-Range Fiscal Implications

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<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <input type="checkbox"/> GPR    <input type="checkbox"/> FED    <input type="checkbox"/> PRO    <input type="checkbox"/> PRS    <input type="checkbox"/> SEG    <input type="checkbox"/> SEGS                 </div> <div style="width: 40%;"></div> </div>		
<b>Agency/Prepared By</b>  DPI/ Lori Slauson (608) 267-9127	<b>Authorized Signature</b>  Michael Bormett (608) 266-2804	<b>Date</b>  2/18/2010

## Fiscal Estimate Narratives

DPI 2/18/2010

LRB Number	09-4260/1	Introduction Number	SB-536	Estimate Type	Original
<b>Description</b> Promoting the use of locally grown food in school meals and snacks and granting rule-making authority					

### Assumptions Used in Arriving at Fiscal Estimate

The bill seeks to connect schools with nearby farms to provide children with locally produced fresh foods in school meals and snacks, help children develop healthy eating habits, provide nutritional and agricultural education, and improve farmers' incomes. The bill also creates a program for the Department of Agriculture, Trade and Consumer Protection (DATCP) to provide grants to school districts, nonprofit organizations, and others for the creation and expansion of farm to school programs. The bill also establishes a farm to school council to advise DATCP and to report to the legislature about the needs and opportunities for farm to school programs.

#### State fiscal effect:

Buying food locally by school districts is already encouraged by the U.S. Department of Agriculture and the Department of Public Instruction (DPI). DPI already provides a database of local growers and has a website dedicated to "Wisconsin Growers." Therefore, it is assumed that any costs associated with this bill will be absorbed by the department.

DPI is also required to appoint an employee to the farm to school council created under the bill. The cost of appointing a DPI employee will be absorbed by the department.

#### Local fiscal effect:

Although no funds are currently appropriated under the bill, it is assumed that eventually funds will be made available and awarded to school districts, nonprofit organizations, farmers, and other entities for the creation and expansion of farm to school programs. The amount of funds that may be made available to school districts is unknown.

There are many benefits to the locally produced procurement method, as food service staff can: request specific products in the form they need them; work out details and issues without a middle man; become familiar with what the farmer grows, and even request that farmers plant specific items for them. In addition, in some instances it may be cheaper to purchase food products locally, however any cost savings are indeterminate.

The disadvantages of this procurement method come from food service staff buying from a number of farmers. Buying from individual farmers entails increased administration and paperwork. There could be a transition from making one phone call to order product, to multiple calls, multiple invoices, and coordinating multiple deliveries. In addition, a broker is generally able to provide a greater variety of produce than farmers, who are selling only what is in season and what they grow. Any additional administrative costs to districts are indeterminate.

### Long-Range Fiscal Implications